



SMALL BUSINESS DISASTER RELIEF LOAN GUARANTEE PROGRAM

1

WHO QUALIFIES? ARE YOU ELIGIBLE?

Small Businesses located in California with 1-750 employees that have been negatively impacted or experienced disruption by COVID-19 and eligible nonprofits can use the disaster relief loan guarantee program.

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FIRST STEP -- APPLY FOR A LOAN

CONTACT A PARTICIPATING LENDER in your area (participating lenders are listed at: <https://ibank.ca.gov/small-business-finance-center/>) and apply for a loan. You also can receive help in the application from one of seven IBank partner Financial Development Corporations (FDCs) listed on the IBank Small Business Finance Center website. They can help connect you to a participating lender as well as apply for the loan guarantee.

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HOW DOES A LOAN GUARANTEE WORK?

A loan guarantee mitigates the risk assumed by a traditional lending institution. A bank is more willing to provide access to capital if there is a guarantee in place that would repay up to 95% of the loan should there be a default.

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WHAT CAN LOAN PROCEEDS BE USED FOR?

The funds are meant to help small businesses through this challenging time. Loan proceeds can be used for business continuance or to cure "economic injury" as a result of the COVID-19 pandemic.

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WHAT ARE THE LOAN TERMS?

The loan can be guaranteed up to 7 years and cover up to 95% of the loan. The interest rates are negotiated between the lender and the borrower. Qualifications are based on lender criteria.

VISIT WWW.IBANK.CA.GOV FOR MORE INFORMATION.
FDCS ARE AVAILABLE TO PROCESS THE GUARANTEE
ON A LOAN PROVIDED BY YOUR LENDER!